



REPLY TO
ATTENTION OF

DEPARTMENT OF DEFENSE
UNITED STATES SOUTHERN COMMAND
3511 NW 91ST AVENUE
MIAMI, FL 33172-1217

SCCS

25 June 2004

POLICY MEMORANDUM NO. 7-04

From: Chief of Staff

To: See Distribution

SUBJECT: Department of Defense Premium Travel Program (PTP)

1. Reference: Deputy Secretary of Defense Memorandum, 19 March 2004, Subject: Special Interest Item on the Department of Defense Premium Travel Program (Encl 1).

2. Internal control weaknesses have resulted in significant abuse in the use of premium class travel. As a result, the following changes in premium travel rules are effective immediately:

a. It is government policy that coach (economy) class travel accommodations will be used for all passenger transportation modes for all official government travel.

b. Blanket authorization and justification for use of premium class travel are prohibited.

c. Flights of more than 14 hours do not automatically qualify for use of premium class travel. The traveler must make every effort to schedule his/her travel so that he/she has a rest period prior to starting work. A rest period either enroute to or at the TDY destination negates use of premium class travel.

d. The use of all premium class travel, including travel by host country personnel funded with DoD funds, must be approved in advance by the Deputy Commander, U.S. Southern Command (SCDC).

3. Requests for approval of premium class travel will be submitted to the SCDC on a Staff Action Summary Sheet (SASS), justifying the use of this mode of travel. Information to be included in the request is outlined in the document referenced above. This request and approving documentation will be kept on file in the offices of the requesting and approving officials. TDY orders issued authorizing premium class travel will be annotated as outlined in Enclosure 1.

4. All Security Assistance Offices will submit semiannual reports on the use of premium class travel. The initial reports, covering the period of 1 April through 30 June 2004 and 1 July through 30 October 2004 will be submitted NLT 10 July and 10 October 2004, respectively. Thereafter, a report will be due semi-annually for the periods of 1 October through 31 March and 1 April through 30 September, due NLT 10 April and 10 October, respectively. Reports will be

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submitted to U.S. Army Garrison, Miami, 3511 NW 91st Ave, Miami FL 33172, Attention Transportation Officer, Mr. Mack. Report format is at Enclosure 2.

5. Premium class travel (first class and business class) will be a special interest item during Joint Inspector General inspections.

6. Questions pertaining to this guidance should be addressed to Ms. LaJune Castro, SCJ8, (305) 437-1358.

FOR THE COMMANDER:



MICHAEL R. LEHNERT

2 Encls

1. Reporting Requirements

2. Reporting Format

Brigadier General, U.S. Marine Corps

Chief of Staff, U.S. Southern Command

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DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010

19 MAR 2004

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTOR OF FORCE TRANSFORMATION
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Premium Class Travel Guidance and Reporting Requirements

This memorandum promulgates guidance on the use of premium class (first class and business class) transportation for all official travel. Effective immediately, I am directing all DoD Components, when using premium class travel, to follow the Joint Federal Travel Regulations (JFTR) and Joint Travel Regulations (JTR). The attached document on premium class travel requirements contains a summary of major changes made to the JFTR and JTR.

In a recent General Accounting Office Audit (GAO #04-88), GAO reported that internal control weaknesses within the Department of Defense led to the improper use of first and business class travel, at increased cost to taxpayers. Consequently, the Under Secretary of Defense (Personnel and Readiness) (USD(P&R)) chartered a multi-agency task force to clarify policy and recommend corrective action. An important outcome of the task force was the strengthening of the travel rules and approval authority for premium class travel.

To maintain effective oversight of this program, each addressee will be required to submit a report to OUSD (P&R) on the use of premium class travel. The first two report submissions will be due NLT July 31 and October 30, 2004, covering the periods from April 1 through June 30 and July 1 through September 30, 2004, respectively. Thereafter, a report will be due semiannually NLT April 30 and October 30. You will be receiving within the week additional guidance on the reporting format and procedures from OUSD (P&R).

Attachment:
As stated



OSD 03644-04

Enclosure 1



DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010

19 MAR 2004

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTOR OF FORCE TRANSFORMATION
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Special Interest Item on the Department of Defense Premium Travel Program

To reinforce the corrective actions the Department has instituted in response to the General Accounting Office (GAO) report on the Department's premium travel program (GAO #04-88, October 2003), I recommend you include premium travel (first class and business class) as a special interest item during audits and inspections, and be prepared to institute internal management controls to address this matter in advance of your issuance of the 2004 Statement of Assurance.

GAO found internal control weaknesses in our premium travel program, citing fragmented responsibility between policy and execution that led to improper use. In response, the Under Secretary of Defense (Personnel and Readiness) chartered a multi-agency task force to strengthen procedures, including approval authority for premium class travel. As a result, the Joint Travel, Joint Federal Travel, and appropriate service regulations have been updated. For information purposes, I've attached a fact sheet outlining major changes in premium travel rules.

Certainly, the improper use of premium travel results in an unnecessary additional cost to the taxpayers. In that regard, I appreciate your prompt attention to this matter.

Paul Wolfowitz

Attachment:
As stated

DOD PREMIUM CLASS TRAVEL REQUIREMENTS

JUSTIFICATION FOR THE USE OF PREMIUM CLASS TRAVEL

- It is Government policy that coach (economy) class travel accommodations will be used for all passenger transportation modes for all official government travel.
- Premium class travel will only be permitted on an exception basis, when fully justified and approved by the appropriate premium class approval authority, and only for the situations contained in the Joint Federal Travel Regulations (JFTR) and Joint Travel Regulations (JTR).
- Premium class accommodations must be made and authorized in advance of the actual travel unless extenuating circumstances or emergency situations make advance authorizations impossible. If approval is not subsequently obtained, the traveler is responsible for the cost difference.
- Blanket authorization and justification for use of premium class travel are prohibited.
- A major policy change is the justification for flights over 14 hours. These flights do not automatically qualify for use of premium class travel. The traveler must make every effort to schedule his/her travel so he/she has a rest period prior to starting work. A rest period either enroute or at the TDY destination negates use of premium class travel. Premium class travel should be the exception, not the rule, for flights over 14 hours.

APPROVAL LEVELS

- Officials who may authorize/approve premium class accommodations:
 - First Class:
 - Office of the Secretary of Defense and Defense Agencies: Executive Secretary, with no further delegation.
 - Military Departments: The Secretaries of the Military Departments. Approval authority may be re-delegated to Under Secretaries, Service Chiefs or their Vice and/or Deputy Chiefs of Staff, and four-star major commanders or their three-star vice and/or deputy commanders, and no further.
 - Joint Staff and Combatant Commands: Director, Joint Staff, or as delegated. Re-delegation may be no lower than to the three-star major commanders.
 - Business Class:
 - Officials with authority to authorize/approve first class accommodations, as shown above, are also business class authorization/approval authorities. The business class authorization/approval may be delegated but to no lower than general/flag officers at the two-star level or their civilian equivalents.

Premium class approving officials may not approve their own premium class travel. They must obtain approval from their reporting senior flag officer or civilian equivalent. Approval must be by someone senior to the traveler.

DOCUMENTATION REQUIREMENTS

The approval for premium class travel must be documented by placing a statement on the travel authorization/order that states, at a minimum, the following:

- The class of premium class travel approved, business or first class.
- The Name, Rank and Office Symbol of the approving official.
- The specific paragraph reference in the JTR or JFTR used to justify the premium class travel for the upgrade, which includes specific reference to the condition(s) met from the JTR/JFTR.
- The coach fare and upgraded fare for the premium class portions of the trip.
- Documents used for the approval of this premium class travel are on file in the office of the premium class approval official.

ENFORCEMENT PROVISIONS

- Commanders must ensure that travel offices and CTOs will not issue premium class tickets without the required approval being part of the travel authorization.
- In the event premium class tickets are issued in the absence of proper approval documentation, the traveler is responsible for the excess cost.

REPORTING PROCEDURES/MANAGEMENT OVERSIGHT

- All Department of Defense Components will be required to submit semiannual reports to OUSD(P&R). The report will be due NLT than 30 April and 31 October. Additionally, all Department of Defense components are required to track the use of premium class travel, and will maintain applicable documentation for 6 years and 3 months. At a minimum, the following data must be captured and reported by each premium travel approving official:
 - o Total number of premium class trips authorized during the given timeframe broken down by class of service.
 - o Total cost to the government of those trips approved.
 - o Name, grade and unit of traveler.
 - o Approval official.
 - o Class of service authorized.
 - o Mode of travel (i.e., air, ship, train).
 - o Dates of travel.
 - o Origin and destination of each leg of the portion of a trip involving premium class travel.
 - o Specific purpose of travel and corresponding condition(s) met in the JTR/JFTR.
 - o Coach and premium class fares for each portion of a trip involving premium class travel.

PREMIUM CLASS TRAVEL

NAME & GRADE OF TRAVELER	DIRECTORATE	DATES OF TRAVEL	MODE OF TRAVEL	CLASS OF SERVICE	ORIGIN & DESTINATION OF PREMIUM CLASS TRAVEL	FARE FOR EACH PREMIUM CLASS PORTION OF TRAVEL	PURPOSE OF TRAVEL	APPROVING OFFICIAL	TOTAL NUMBER OF TRIPS	TOTAL COSTS
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Enclosure 2